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FTEA 2-65
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ANOTHER RECORD TEA

CROP EXPECTED

Summary

The 1965 world tea crop is forecast at 2,416 million pounds, 21 million pounds above the record 1964 harvest. The continuation of the upward trend in world tea production is attributed to expanding acreage, to increased use of fertilizers, and to the replanting of existing estates with higher yielding bushes.

Although there has been a series of successive record crops over the last several years, rising consumption -- in producing countries as well as in importing countries -- thus far has been able to absorb the ever-increasing world production. Unlike coffee and cocoa where the major portion of the crops are exported, only about one-half of the world tea crop enters into trade channels.

Exports of tea from major producing countries during 1964 totaled 1,228 million pounds, a drop of 2 percent from the alltime high in 1963 because of a sharp decline in shipments from India and Indonesia. The value of world tea exports in recent years has been in excess of \$600 million annually. Two countries -- India and Ceylon -- account for over three-fourths of the tea that enters into world trade.

Per capita consumption of tea in the United States during 1964 rose to 0.69 pounds per person from 0.67 pounds in the previous year. New York wholesale prices for black teas averaged 51.8 cents per pound during 1964, down 1.4 cents from a year earlier. Prices during the first quarter of 1965 averaged 52.2 cents per pound.

This circular contains more detailed information than the summary of similar title published in the World Agricultural Production and Trade Statistical Report of May 1965

TEA: World production for calendar year 1965, with comparisons

Continent and country	Average 1955-59	1961	1962	1963	1964 ^{1/}	Forecast 1965
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
Asia:						
Ceylon	395.9	455.2	467.0	484.6	481.8	490.0
China, Mainland ^{2/} ..	279.8	345.0	350.0	350.0	350.0	350.0
India	695.9	781.3	764.4	762.6	823.8	825.0
Indonesia	100.2	96.4	104.1	84.8	100.0	100.0
Iran	13.2	22.5	27.6	28.5	28.5	30.0
Japan	163.2	179.4	170.8	178.8	183.6	185.0
Malaysia	5.2	5.8	6.3	6.0	6.5	6.5
Pakistan	53.5	58.5	51.6	54.2	63.2	70.0
Taiwan	33.2	39.8	43.5	46.5	40.3	42.0
Turkey	5.6	12.0	18.2	22.0	25.0	27.0
USSR	63.7	81.9	90.7	94.3	100.0	100.0
Viet Nam, South	8.1	10.7	10.0	10.4	10.5	10.5
Total	1,817.5	2,088.5	2,104.2	2,122.7	2,213.2	2,236.0
Africa:						
Congo, Leopoldville ..	4.9	7.5	8.5	11.5	10.0	8.0
Kenya	23.1	27.9	36.2	39.9	44.6	45.0
Malawi	20.7	31.5	29.4	26.3	27.3	26.0
Mauritius	1.7	2.8	2.8	3.3	3.0	3.2
Mozambique	15.2	23.4	20.7	19.0	22.2	22.0
Rhodesia	1.5	2.4	2.8	2.7	3.2	3.0
Tanzania	6.1	9.8	9.5	11.1	10.6	11.0
Uganda	8.0	11.3	13.9	13.6	16.8	17.0
Total	81.2	116.6	123.8	127.4	137.7	135.2
South America:						
Argentina	5.2	18.0	21.0	24.0	27.5	27.0
Brazil	3.1	6.2	11.1	13.5	14.0	15.0
Peru	1.9	2.5	2.7	2.8	2.9	3.0
Total	10.2	26.7	34.8	40.3	44.4	45.0
Grand total	1,908.9	2,231.8	2,262.8	2,290.4	2,395.3	2,416.2

^{1/} Preliminary.
^{2/} Estimated.

Foreign Agricultural Service. Prepared or estimated on the basis of official statistics of foreign governments, other foreign source materials, reports of U. S. Agricultural Attaches and Foreign Service Officers, results of office research, and related information.

Asia: Asian production -- which accounts for 92 percent of the world crop -- is forecast at 2,236 million pounds, 1 percent above the preceding year and 23 percent over the 1955-59 average. Tea exports from Asian producing countries in 1964 totaled 1,090 million pounds, a drop of nearly 3 percent from the previous year because of smaller shipments from India and Indonesia.

Production in Ceylon is forecast at a record 490 million pounds. The 1964 crop of 481.8 -- the second largest of record -- was down slightly from the year before because of less-favorable weather conditions and a reduction in fertilizer usage. The production of the high-and medium-grown teas were down slightly, while low-grown teas were up 3 percent over the 1963 level.

About one-third of Ceylon's tea bushes are over 70 years old and another one-third is estimated to be between 60 to 70 years of age. Under the Tea Replanting Subsidy Scheme, estates of over 150 acres in size are allocated a subsidy of Rs. 3,750 per acre for the replanting with higher yielding varieties and is payable in seven installments. Thus far, progress has remained far behind the rate needed to fulfill the 10-year (1959-68) scheme's target of 50,000 acres. At the close of 1964, only 9,690 acres has been replanted.

Under the Tea Rehabilitation Subsidy Scheme, subsidies totaling Rs.850 per acre are granted to small-holdings and estates under 150 acres in size. Of this total, Rs.300 per acre (of which Rs.150 is paid in the first year and the balance in two annual installments of Rs.75 each) to fill vacancies and raise the height of tea bushes; Rs.100 per acre is to be paid in two annual installments for soil conservation measures; and Rs.450 per acre to cover one-half the cost of fertilizer used on the land for a period of five years. The target envisaged for rehabilitation under this Scheme (1959-68) has been set at 60,000 acres.

Under the Rubber-into-Tea Replanting Scheme -- in effect since January 1962 -- the Government provides subsidies for replanting uneconomical rubber acreage with high-yielding tea. This Scheme envisages the replanting of about 8,000 acres for the total cost of subsidies of Rs.12 million. Approximately 2,850 acres had been replanted at the close of 1964.

In the July 1964 budget speech, the Finance Minister proposed the following tax reforms. The export duty of tea would be maintained at 35 rupee cents per pound, but the ad valorem duty would be abolished. In place of the ad valorem duty, a tax of Rs.300 per acre would be imposed on high-grown teas and Rs.60 per acre on low and medium-grown teas; an additional 10 rupee cents per pound tax would be levied on teas shipped for sale at the London Auctions; the income tax exemption for replanting subsidies would be removed; and the rebate of 2 rupee cents per pound would be eliminated for tea exported through the ports of Galle and Trincomalee. To date, only the latter proposal has been implemented.

Despite the somewhat smaller 1964 crop, exports were maintained at the record 1963 level of 455 million pounds. The 1964 exports earned Rs.1,140.9 million (US\$239.6 million) compared with Rs.1,139.8 million (US\$239.3 million) in 1963. Shipments to the United Kingdom -- by far the largest market for Ceylon's tea -- fell 7 million pounds to 167 million; however, exports to the United States increased 5 million pounds to 47.6 million.

Through the recently renewed 3-year bilateral trade agreement with Ceylon, the USSR agreed to purchase more than 15 million pounds of tea during 1965, 17.5 million pounds in 1966, and 22.4 million during 1967. Shipments to the USSR last year amounted to 11.2 million pounds, nearly double the 1963 level.

The absence of Iraq, the largest market of the low-grown teas, during most of the latter half of the year, caused a sharp reduction in prices, which fell to a low US 26.7¢ per pound in September and closed for the quarter at 31.1¢ per pound. Prices rose to 35.7¢ the end of January 1965, but again declined to 33.4¢ in mid-March because of delays in exports and difficulties in shipping Iraq's purchases.

High-grown prices fluctuated between 39.1¢ and 42.2¢ per pound during the last quarter of 1964, but because of strong demand, prices increased to about 52¢ by mid-March, 1965.

Ceylon's instant tea industry will be faced with competition from India in the near future, as there are plans to construct two factories in Kerala State. Currently, Ceylon has one instant tea factory which produces two types of teas -- one for the brewing of hot tea and the other for making iced tea.

In addition to the ad valorem levy, the following duties and taxes were in effect during 1964:

	<u>Rupee cents per pound</u>	<u>Equivalent U.S. cents</u>
Export duty.....	35.00	7.35
Replanting and rehabilitation.....	4.00	.84
Medical aid.....	.15	.03
Propaganda.....	2.20	.46
Tea Research Institute....	1.00	.21
Tea control.....	.15	.03
Total.....	<u>42.50</u>	<u>8.92</u>

(Rs.1 = U.S. \$0.21)

CEYLON: Auction prices of tea for export, 1960-64 -- cents per pound (net wt.)
average, by months

	High-Grown Tea					Low-Grown Tea				
	1960	1961	1962	1963	1964	1960	1961	1962	1963	1964
January	42.2	46.4	40.5	41.0	40.0	40.7	41.8	33.2	33.0	33.1
February	42.6	49.6	45.2	43.1	44.3	40.3	41.6	33.0	34.2	33.7
March	43.7	51.0	49.6	45.6	45.3	38.9	40.7	34.0	33.6	34.1
April	40.3	47.9	44.7	41.6	41.2	38.2	40.1	33.6	34.0	34.4
May	38.2	44.5	38.4	38.4	38.0	38.0	41.0	33.4	33.8	32.7
June	37.6	41.8	36.8	35.5	36.2	36.3	39.1	31.9	32.6	32.4
July	39.9	43.5	39.1	36.5	36.5	36.3	38.4	31.1	31.1	30.3
August	46.8	45.8	43.5	41.6	42.0	37.6	36.5	31.1	29.8	28.4
September	48.7	50.8	47.0	41.8	45.3	37.6	35.7	31.1	29.6	28.0
October	46.0	55.9	44.3	40.7	41.3	39.1	33.2	32.3	32.1	27.6
November	46.6	44.3	43.9	38.9	40.6	39.5	31.3	35.3	31.7	29.4
December	42.4	42.0	41.6	37.4	40.3	39.1	30.2	33.4	30.9	31.2
Annual avg. . .	42.9	47.0	42.9	40.2	40.9	38.5	37.5	32.8	32.2	31.3

Administration Reports of the Tea Controller.

Production in India -- the world's largest tea producer -- is expected to exceed the record 1964 outturn of 823.8 million pounds. The large 1964 harvest was attributed to a bumper North Indian crop, especially in the Assam Valley and Dooars Districts. South Indian production was down from the preceding year because of insufficient rainfall.

The government plans to encourage increased production by setting up a Tea Finance and Guarantee Corporation which would directly provide or otherwise facilitate medium and long-term credits for the development of tea estates. Other measures are being considered by the government to promote tea production and exports which include rebates on tax rates as developmental allowances, and speedier refund of excise duties paid on tea that is exported.

India and Ceylon have agreed to set up a joint Tea Commission to promote tea sales in foreign markets. The Commission will consist of three senior officials of each Government and will meet periodically to formulate plans for the development, pricing, and sales promotion of tea for the export markets.

In mid-1964, the Planning Commission revised downward production and export goals for the Third Five-Year Plan (1961-66) to 831 million pounds and 531 million, respectively. Originally targets of 900 million and 611 million, respectively, were set for production and exports.

Sharply curtailed buying by the United Kingdom, India's largest customer, reduced 1964 tea exports to 464.1 million pounds, down 28.7 million from the previous year. The United Kingdom bought 263.8 million pounds in 1964 compared with 298.9 million in 1963. Exports to the USSR, the second largest buyer, increased by 27 percent to 46.6 million pounds. Purchases by the United States were only 20.7 million pounds, the lowest since 1960. Tea exports earned Rs. 1,249 million (U.S. \$260 million), compared with Rs.1,324 million (\$278 million) in 1963.

The Indonesian crop is expected to equal the 1964 harvest of 100 million pounds. Although production levels have been maintained on the former Dutch and British estates, the quality of the exports has been declining. Exports during 1964 totaled 54.3 million pounds, down 7.7 million from the previous year. The Netherlands bought nearly 20 million pounds; Australia nearly 10 million; and most of the remainder went to the United States, Belgium and West Germany.

Pakistan's production is forecast at 70 million pounds, an increase of nearly 7 million pounds over the record 1964 crop. Tea acreage has been expanded to 88,000 acres from 84,000 the year before, and 180,000 acres are planned to be under cultivation by 1970. Because of the large 1964 harvest and the anticipated record 1965 crop, exports are once again being permitted on a limited scale. During the year ending March 31, 1965, 5.5 million pounds were exported, of which the United Kingdom took 4.4 million. Exports previously had been banned because of the small 1962 and 1963 crops, which were not sufficient to meet home consumption demands.

Turkey -- formerly a tea importer -- has become self-sufficient in tea and has exported 3.4 million pounds during 1964. Production for 1965 is forecast at 27 million pounds, 2 million over the 1964 outturn.

Japan's crop is forecast at 185 million pounds, slightly above the record 1964 harvest. However, continued unseasonably cool weather has delayed early harvesting. Exports during 1964 continued to decline to only 7.5 million pounds, 7 percent below the previous year and less than one-half the 1962 level. The smaller shipments are attributed to rising domestic consumption and to the loss of the Moroccan market to Taiwan teas, which have been selling at lower prices.

As Japan does not manufacture instant tea, it relies solely on imports to fulfill its requirements. The United States usually is the only supplier to the Japanese market. Imports of instant tea during 1964 amounted to 58,000 pounds, down from 97,000 pounds imported the year before.

South Viet-Nam has contracted to buy \$280,000 worth of tea processing equipment from the United Kingdom for delivery in November of this year. The equipment will standardize and improve the quality of Vietnamese tea, which has become the third leading export of that country. Exports in 1963 amounted to 4.4 million pounds valued at \$1.9 million, and increased to nearly 4.9 million pounds in 1964. Most of the exports go to the United Kingdom.

Production in Taiwan is estimated at 42 million pounds. The 1964 crop was down 13 percent from the record harvest the year before because of low prices. Despite the shortfall in production, 1964 exports continued to increase to 33.6 million pounds as there were substantial stocks carried over from the previous year.

Africa: African tea production is forecast at 135.2 million pounds, down slightly from the bumper 1964 harvest of 137.7 million. Unusually dry weather during the early part of the year has curtailed output in most producing areas. Tea is fast becoming an important earner of foreign exchange in many African countries. The 1964 crop was 70 percent over the 1955-59 average and accounted for nearly 6 percent of the world production.

Kenya's crop is expected to approximate the record 1964 production of 44.6 million pounds. The 1965 crop has been adversely affected by dry weather and hail damage. Several tea factories in the Kericho District were operating on a 2-3 day week basis because of smaller harvest. However, new areas coming into bearing and with improving weather, production is expected to be maintained at the 1964 level.

Tea exports during 1964 were a record 36.4 million pounds, up 3.4 million pounds over the previous year, and brought in \$17 million in foreign exchange. Over one-half of the shipments were to the United Kingdom.

Production in Mauritius is estimated at 3.2 million pounds. The 1964 crop was reduced to 3.0 million pounds because of adverse weather during the early part of the growing season. More favorable weather this year is expected to result in higher yields. The area under tea cultivation at the beginning of 1965 totaled 6,200 acres, and an additional 2,000 acres are scheduled for planting by the end of 1966.

The harvest for Malawi is forecast at 26 million pounds, down about 5 percent from the 1964 harvest because of insufficient rainfall. Output during Jan-Mar. totaled 12 million pounds, compared with 15 million for Jan-Mar. 1964. The area under tea during 1964 was 32,700 acres, an increase of about 1,000 acres over the previous year.

Mozambique's crop is estimated at 22 million pounds, about the same as the 1964 harvest. The area under tea cultivation during 1964 was 36,900 acres, down slightly from the preceding year. Tea exports totaled 19.9 million pounds, over one-half going to the United Kingdom.

Production for Tanzania is forecast at 11 million pounds. Output in 1964 was reduced to 10.6 million pounds because of a prolonged drought late in the year. The 1965 crop has also been affected by dry weather. Production through March totaled 3.4 million pounds, compared with 4.4 million during the corresponding period a year earlier. Although the 1964 harvest was smaller, exports continued to increase to 9,706,000 pounds, from 8,808,000 pounds the year before, and earned \$4.4 million in foreign exchange.

Uganda's production is expected to reach 17 million pounds. At the onset of the 1964 season, nearly 23,000 acres were in tea, but only about two-thirds of the plants were mature. An additional 20,000 acres are scheduled to be planted in tea by 1973. Lack of adequate rainfall has curtailed early harvesting this season, but production is expected to pick up as weather conditions have improved. Exports in 1964 were a record 13,421,000 pounds and were valued at nearly \$6.2 million. The new instant tea factory at Kampala is now in operation and additional factories are to be built in the near future.

The Committee of European Development Fund has approved the EEC Commission's recommendation for the financing of experimental tea plantations and a factory in both Burundi and Rwanda. Burundi will receive funds of \$1.2 million and Rwanda \$1 million.

South America: South American tea production has gained rapidly during the last decade and is estimated at a record 45 million pounds. However, consumption has been hampered by severe competition from yerba mate and coffee.

Production in Argentina is expected to be slightly under the record 1964 harvest of 27.5 million pounds. Argentina's tea production has shown marked expansion during the last decade. However, the industry -- which is dependent upon hand labor -- is being threatened by the newly enacted minimum wage law which has nearly doubled workers' wages and has made production unprofitable for many tea growers.

Exports during 1964 amounted to a record 20 million pounds and were consumed mostly by the United Kingdom, Chile, and the Netherlands. Under recently released regulations establishing categories for rebates on the exports of non-traditional products, tea exports are entitled to a 12 percent rebate on the f.o.b. value; however, a charge of 1.5 percent for the support of National Tea Institute and a .3 percent statistical tax is levied on exports. Tea imports must pay a 227 percent surcharge in addition to normal import taxes totalling slightly over 3 percent. For Latin American Free Trade Association countries, the surcharge is reduced to 33.5 percent ad valorem.

Although Argentina grows only about 1 percent of the world's tea crop, it is by far the largest producer in the Western Hemisphere.

Brazilian production is continuing the upward trend and is estimated at 15 million pounds, nearly five times the 1955-59 average. Peru's crop will also be larger this year. Approximately 8,000 acres are now in tea and the 1965 harvest is anticipated to yield 3 million pounds.

Ecuador is entering into commercial tea growing. There are about 125 acres already in production, and new areas are being cleared to expand acreage to 1,200 acres. A tea processing plant is to be constructed in the near future.

Distribution of tea exports by specified producing countries, 1963-64

Destination	India		Ceylon		Indonesia		Japan	
	1963	1964	1963	1964	1963	1964	1963	1964
	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
	pounds	pounds	pounds	pounds	pounds	pounds	pounds	pounds
EEC:								
Belgium-Luxembourg ..	7	51	113	88	14,777	7,044	---	---
France	176	188	1,497	1,266	150	---	152	82
Germany, West	3,128	4,508	2,568	2,614	5,481	3,563	24	---
Italy	211	20	2,451	2,586	243	137	---	---
Netherlands	6,799	6,861	8,813	9,518	1,715	19,771	20	---
Subtotal	10,321	11,628	15,442	16,072	22,366	30,515	196	82
Afghanistan	9,242	10,628	---	---	---	---	11	---
Algeria	---	---	14	---	---	---	2,978	2,690
Australia	7,987	12,482	38,586	37,753	9,645	9,700	13	2
Canada	11,777	12,573	18,157	15,955	22	4	430	326
Chile	295	214	8,824	3,324	---	---	---	---
Egypt	37,661	35,150	6,446	8,497	---	---	---	---
Hong Kong	1	3	2,084	2,002	827	1,380	4	2
Iran	7,253	4,991	1,689	5,284	---	---	---	---
Iraq	5,963	4,339	43,209	42,551	---	---	---	---
Ireland	16,065	11,069	5,348	4,228	412	157	40	---
Kuwait	1,702	1,373	4,446	3,806	---	---	---	---
Libya	---	---	6,979	6,395	---	---	858	670
Malaysia	9	2	1,931	1,704	2,081	---	---	---
New Zealand	902	833	16,768	13,775	24	---	---	---
South Africa	---	---	30,220	31,769	44	---	13	---
Sudan	8,034	8,082	---	---	---	---	---	---
Tunisia	5,230	435	1,102	---	---	---	---	1,102
Turkey	2,595	95	756	9	---	---	---	---
United Kingdom	298,922	263,798	174,013	167,093	18,532	2,273	597	392
United States	22,238	20,679	42,547	47,550	7,280	8,924	2,011	1,768
USSR	36,559	46,583	6,425	11,161	745	---	---	---
Others	10,065	19,162	30,888	36,345	48	1,326	971	512
Total	492,821	464,119	455,874	455,273	62,026	54,279	8,122	7,546

Destination	Kenya 1/		Uganda 1/		Tanzania 1/	
	1963	1964	1963	1964	1963	1964
	1,000	1,000	1,000	1,000	1,000	1,000
	pounds	pounds	pounds	pounds	pounds	pounds
United Kingdom	19,686	21,230	5,106	6,584	7,098	7,577
United States	4,155	4,994	1,317	1,412	634	513
Netherlands	1,570	1,885	929	1,502	222	594
Canada	2,252	3,096	1,179	1,158	381	404
Sudan	1,256	1,819	1,536	1,127	90	152
Somali	721	1,081	292	208	79	63
Ireland	813	893	705	730	71	187
Australia	859	887	506	429	90	113
New Zealand	101	151	82	143	2	5
Germany, West	140	152	42	68	25	78
France	4	15	1	15	---	8
Others	1,393	172	413	45	116	12
Total	32,950	36,375	12,108	13,421	8,808	9,706

1/ Excludes trade between Kenya, Uganda, and Tanzania. Excludes Zanzibar starting 1964.

IMPORTING COUNTRIES

Imports into the United Kingdom -- by far the world's largest tea importer -- during 1964 totaled 537.2 million pounds, down nearly 26 million pounds from the year before. The decline is attributed to smaller purchases of teas from India, Ceylon, and Indonesia. Stocks in bonded warehouses at the close of 1964 amounted to 150.9 million pounds, compared with year-end stocks of 168.5 million and 156.0 million pounds for 1963 and 1962, respectively.

TEA: Imports into the United Kingdom by country of origin,
1962 - 64

Country	1962	1963	1964
	1,000	1,000	1,000
	<u>pounds</u>	<u>pounds</u>	<u>pounds</u>
Commonwealth:			
India.....	270,081	282,781	265,923
Ceylon.....	174,862	174,407	166,681
Kenya.....	20,141	21,161	26,832
Malawi and Rhodesia:	22,832	18,680	17,634
Tanzania.....	7,029	6,825	6,852
Uganda.....	5,326	4,141	3,992
Malaysia.....	3,143	2,400	2,959
Pakistan.....	10,524	645	4
Other.....	1,913	2,317	1,808
Total.....	515,851	513,357	492,685
Other Foreign:			
Mozambique.....	15,162	11,735	10,866
Indonesia.....	7,970	10,817	6,219
Mainland China.....	3,532	5,933	3,597
Netherlands.....	2,343	4,759	9,154
Taiwan.....	431	1,105	981
Japan.....	678	776	361
Other.....	11,447	14,606	13,349
Grand total.....	557,414	563,088	537,212

United States imports of tea in 1964 totaled 133.6 million pounds - up 6 percent from the previous year's and the largest in 46 years. Responsible for this rise was the continued increased buying from Ceylon - the largest U.S. supplier. However, imports from India continued to decline for the third consecutive year, to 25 million pounds. Rising consumption will probably result in large tea imports again this year; however, the dock strike reduced the first quarter 1965 imports to 27.4 million pounds, compared to 33.8 during the corresponding period the year before.

Although the United States is the world's second largest tea importer, per capita consumption is still less than 0.7 pounds, far below the nearly 10 pounds per head consumed in the United Kingdom. However, consumption in the United States is rising slowly, due in part to the introduction of instant teas into the market. Preliminary statistics show that sales of instant tea in the U.S. retail stores in 1964 were in excess of 19 million pounds and accounted for about one-fifth of all retail tea sales. Sales of instant tea during 1963 amounted to nearly 14 million pounds, compared with only about 5 million pounds in 1960. Sales are also being boosted by the recently introduced "convenience" instant tea mixes which have sugar, lemon, or other flavoring already added. However, tea-bag sales still lead U.S. consumer buying, amounting to approximately 55 million pounds last year. Packaged tea sales continued to decline to slightly over 24 million pounds, compared with nearly 39 million a decade earlier.

F.A.O. Ad Hoc Meeting on Tea: The Food and Agricultural Organization's Ad Hoc Tea Meeting was held May 10 - 17, 1965, at Nuwara Eliya, Ceylon, to consider the study on the current situation and trends in the world tea economy and whether the establishment of a Tea Study Group would help to remedy any immediate or long-term problems facing the tea industry. At the conclusion of the conference, a resolution was adopted noting that the present outlook in the world tea economy did not justify the establishment of a Tea Study Group but that the situation and outlook should be kept under review. It was also decided to hold another meeting of consumer-producer governments in approximately 18 months to review the situation. The meeting requested the F.A.O. to undertake various economic studies and to expand its statistical work in the tea field.

TEA: United States imports by country of origin, 1961-65

Country of origin	1961	1962	1963	1964	January - March	
					1964	1965
	1,000	1,000	1,000	1,000	1,000	1,000
	pounds	pounds	pounds	pounds	pounds	pounds
North America: Canada	1,129	1,412	1,944	2,335	714	940
Europe:						
France	40	3	2	2	---	1
Germany, West	47	22	1	11	---	1/4
Ireland	10	8	13	16	2	4
Netherlands	1,456	9,374	6,846	7,868	2,550	1,224
United Kingdom	1,446	1,136	371	489	137	52
Total	2,999	10,543	7,233	8,386	2,689	1,281
South America:						
Argentina	252	1,217	583	264	87	70
Brazil	635	739	719	780	212	462
Peru	---	82	66	66	16	---
Total	887	2,038	1,368	1,110	315	532
Asia:						
Ceylon	44,313	51,498	53,494	58,938	13,032	9,528
Hong Kong	205	290	279	213	47	40
India	26,618	29,261	27,453	25,013	8,013	5,398
Indonesia	15,095	13,605	12,810	13,988	3,412	3,973
Japan	2,072	2,485	1,926	1,899	291	351
Malaysia	177	49	30	59	7	7
Pakistan	45	77	---	14	---	---
Taiwan	6,005	6,400	6,942	7,145	2,696	1,713
Others	---	9	57	221	57	---
Total	94,530	103,674	102,991	107,490	27,555	21,010
Africa:						
East Africa 2/.....	6,038	6,696	7,349	8,715	1,399	2,230
Mauritius	---	1	26	3	---	---
Mozambique	2,254	1,984	1,667	1,892	264	373
Congo, Leopoldville	377	682	743	348	27	220
Rhodesia and Malawi	1,023	2,570	2,549	3,261	832	788
South Africa	100	84	23	30	30	47
Others	---	8	147	20	2	13
Total	9,792	12,025	12,504	14,269	2,554	3,671
Grand total	109,337	129,692	126,040	133,590	33,827	27,434

1/ Less than 500 pounds.

2/ Includes Kenya, Uganda and Tanzania.

Compiled from reports of the United States Department of Commerce.

TEA: Exports from specified major producing countries,
1964 with comparisons

Country	Average 1955-59	1960	1961	1962	1963	1964 <u>1/</u>
	1,000	1,000	1,000	1,000	1,000	1,000
	pounds	pounds	pounds	pounds	pounds	pounds
Asia:						
Ceylon	374,473	409,784	425,721	451,633	455,874	455,273
China, Mainland <u>2/</u> ..	91,800	91,000	68,000	64,000	61,000	60,000
India	463,305	425,627	454,791	471,784	492,821	464,119
Indonesia	79,556	86,407	79,725	72,077	62,026	54,279
Japan	22,166	22,304	17,635	18,933	8,122	7,546
Malaysia <u>3/</u>	3,491	5,138	5,238	5,141	4,433	<u>2/</u> 5,000
Pakistan	14,370	4,038	5,689	8,733	57	<u>4/</u> 5,465
South Vietnam	713	2,392	3,651	4,134	4,396	4,850
Taiwan	25,011	26,358	32,194	27,463	30,143	33,561
Total	1,074,885	1,073,048	1,092,644	1,123,898	1,118,872	1,090,093
Africa:						
Congo, Leopoldville:	4,157	7,633	7,000	7,879	11,281	<u>2/</u> 7,000
Kenya <u>5/</u>	16,795	23,992	21,894	29,657	32,950	36,375
Mauritius	699	466	1,747	1,589	2,175	1,674
Mozambique	14,364	17,783	21,837	19,817	18,389	19,879
Malawi <u>6/</u>	19,870	24,399	30,051	28,249	25,186	<u>2/</u> 26,600
Tanzania <u>5/</u>	4,870	7,078	7,086	8,734	8,808	9,706
Uganda <u>5/</u>	5,983	8,649	8,499	11,608	12,108	13,421
Total	66,738	90,000	98,114	107,533	110,897	114,655
South America:						
Argentina	406	6,652	11,798	14,105	17,499	19,992
Brazil	947	1,664	2,593	3,175	2,887	<u>2/</u> 3,000
Peru	30	44	93	25	99	<u>2/</u> 130
Total	1,383	8,360	14,484	17,305	20,485	23,122
Grand total	1,143,006	1,171,408	1,205,242	1,248,736	1,250,254	1,227,870

1/ Preliminary.

2/ Estimated.

3/ Malaya only.

4/ Year ending March 31, 1965.

5/ Excludes trade between Kenya, Uganda, and Tanzania.

6/ Includes Rhodesia.

Foreign Agricultural Service. Official publications of foreign governments, reports of Agricultural Attaches and other U. S. representatives abroad, and other information.

BLACK TEA: New York wholesale prices 1/, by months

Month	1963	1964	1965
----- cents per pound -----			
January	53.7	51.2	50.9
February	55.1	52.7	53.0
March	54.2	52.9	52.6
April	53.3	52.3	
May	54.5	50.7	
June	53.0	50.8	
July	53.0	51.1	
August	53.2	51.3	
September	52.3	52.8	
October	52.4	52.9	
November	51.9	52.0	
December	51.3	50.9	
Annual Average	53.2	51.8	

1/ Ceylon and Indian teas, standard grade, composite price.

Bureau of Labor Statistics.

WASHINGTON, D. C. 20250

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